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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices
First-Class Package Service
First-Class Package Service Contract 92

Docket No. MC2018-133

Competitive Product Prices
First-Class Package Service Contract 92
(MC2018-133)
Negotiated Service Agreement

Docket No. CP2018-189

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE REQUEST TO ADD FIRST-CLASS PACKAGE SERVICE CONTRACT 92 TO COMPETITIVE PRODUCT LIST

(March 29, 2018)

The Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Request to add First-Class Package Service Contract 92 to the competitive product list.¹

The Postal Service's Request includes a Statement of Supporting Justification, a certification of compliance with 39 U.S.C. § 3633(a), a public (redacted) version of Governor's Decision No. 11-6 and related analysis, a public version of First-Class Package Service Contract 92, and proposed changes to the Mail Classification Schedule competitive product list with the additions underlined. The Postal Service also filed under seal an unredacted version of Governor's Decision No. 11-6, Contract 92, and supporting financial data estimating the contract value during the first year.

The Public Representative has reviewed the Postal Service's Request, the Statement of Supporting Justification, as well as the instant contract and the financial

¹ USPS Request to Add First-Class Package Service Contract 92 To Competitive Product List and Notice of Filing Materials Under Seal. March 22, 2018. (Request)

data filed under seal with the Postal Service's Request. The Public Representative finds that Section I. B. of the contract appears inconsistent with the remainder of the contract and the supporting financial documentation. That provision of the contract states that the contract "applies to Customer's inbound and outbound First-Class Package Service." First, inbound and outbound First-Class Package Service does not exist as a product on the Competitive Product List. The only similarly named product is Outbound Single-Piece First-Class Package International Service. And, there is no inbound equivalent. More importantly, all other provisions of the contract appear to refer to the domestic competitive product, First-Class Package Service.

Assuming that Section I. B. is inaccurate, based on the contract partner's profile, the negotiated prices for First-Class Package Service should generate sufficient revenues to cover costs and meet the requirements of 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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